ARTICLE 20:14

APPRAISERS

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20:14:04:16. Supervisory appraiser approval renewal. To renew any current supervisory appraiser approval, the holder of the approval shall, between July 2 through August

16, file an application on a form provided by the secretary and pay the renewal fee prescribed in § 20:14:10:02. The fee shall be paid to the secretary not more than 90 days and not less than 45 days

before the expiration date of the supervisory appraiser approval.

Source: 35 SDR 175, effective January 1, 2009; 36 SDR 112, effective January 11, 2010;

38 SDR 214, effective June 21, 2012; 44 SDR 27, effective August 14, 2017.

General Authority: SDCL 36-21B-3 <u>36-21B-3(4)(9)</u>.

Law Implemented: SDCL 36-21B-1, 36-21B-3(4)(9), 36-21B-4(2).

20:14:04:17. Responsibilities of the supervisory appraiser. The supervisory appraiser

for a state-registered appraiser is responsible for:

(1) Training, guidance, and direct supervision of the state-registered appraiser;

(2) Mentoring of the state-registered appraiser;

(3) Personally inspecting:

(a) A minimum of 25 residential subject properties with the state-registered appraiser if

the state-registered appraiser is seeking the state-licensed or state-certified residential

appraiser credential. If the state-registered appraiser seeking the state-licensed or state-certified

residential appraiser credential includes the appraisal of nonresidential properties, the supervisory

appraiser shall personally inspect all nonresidential subject properties up to 15 properties with the

state-registered appraiser; or

(b) A minimum of 15 nonresidential subject properties with the state-registered

appraiser if the state-registered appraiser is seeking the state-certified general appraiser credential.

If the state-registered appraiser seeking the state-certified general appraiser credential includes the

appraisal of residential properties the supervisory appraiser shall personally inspect all residential subject properties up to 25 properties with the state-registered appraiser.

If the minimum personal inspections by the supervisory appraiser have been met and the state-registered appraiser does not demonstrate competence in the appraisal work as required in § 20:14:09:02, the supervisory appraiser shall continue the personal inspections until competence is demonstrated.

If a state-registered appraiser has more than one supervisory appraiser, all of the personal inspections of each of the supervisory appraisers may be totaled to meet the minimum personal inspections required by this subdivision;

- (4) Reviewing the state-registered appraiser's appraisal report to ensure adequately conducted research of general and specific data, proper application of appraisal principles and methodologies, sound analysis, and adequately developed analysis, opinions, or conclusions so that the appraisal report is not misleading;
- (5) Reviewing the state-registered appraiser's work product and discussing any edits, corrections, or modifications that need to be made to that work product for compliance with the uniform standards as incorporated in § 20:14:06:01;
- (6) Accepting full responsibility for the appraisal report by signing the certification certifying that the appraisal report has been prepared in compliance with the uniform standards as incorporated in § 20:14:06:01;
- (7) Signing the state-registered appraiser's appraisal log as applicable referenced in § 20:14:05:05.01; and,
- (8) Jointly maintaining an appraisal log with each state-registered appraiser on a form provided by the secretary that includes each appraisal performed by the state-registered appraiser

to ensure it is accurate. Separate appraisal logs must be maintained for each state-registered appraiser.

Source: 35 SDR 175, effective January 1, 2009; 36 SDR 112, effective January 11, 2010; 38 SDR 214, effective June 21, 2012; 41 SDR 217, effective June 29, 2015; 44 SDR 27, effective August 14, 2017; 46 SDR 75, effective December 4, 2019.

General Authority: SDCL 36 21B 3 <u>36-21B-3(3)(16)(17)</u>.

Law Implemented: SDCL 36-21B-1, 36-21B-3(3)(16)(17).

CHAPTER 20:14:05

QUALIFICATIONS FOR CERTIFICATION, LICENSURE, AND REGISTRATION

Section

20:14:05:01 Qualifications.

20:14:05:01.01 Qualifications for certified or licensed appraisers that move to the state.

20:14:05:01.02 Limited exemption for qualifications Military Repealed.

20:14:05:02 Examination.

20:14:05:02.00 Examination approval -- Time limit.

20:14:05:02.01 Experience requirements for state-registered appraiser.

20:14:05:03 Experience requirements for state-licensed appraiser.

20:14:05:03.01 Experience requirements for state-certified residential appraiser.

- 20:14:05:04 Experience requirements for state-certified general appraiser.
- 20:14:05:05 Acceptable experience.
- 20:14:05:05.01 Experience -- Review of appraisals by secretary.
- 20:14:05:05.02 Experience -- Documentation requirements.
- 20:14:05:05.03 Experience -- Time spent on the appraisal process.
- 20:14:05:05.04 Experience -- Time limit.
- 20:14:05:05.05 Experience -- Review of appraisals by secretary midway to upgrade.
- 20:14:05:06 Experience -- Verification.
- 20:14:05:06.01 Educational requirements for state-registered appraiser.
- 20:14:05:06.02 Education program for state-registered appraiser.
- 20:14:05:07 Educational requirements for state-licensed appraiser -- Appraiser education.
- 20:14:05:07.01 Educational requirements for state-certified residential appraiser -- Appraiser education.
- 20:14:05:07.02 Educational requirements for state-certified residential appraiser -- General education.
- 20:14:05:07.03 Repealed.
- 20:14:05:07.04 Alternative to general education requirements of the state-certified residential appraiser credential for state-licensed appraiser.
- 20:14:05:08 Educational requirements for state-certified general appraiser -- Appraiser education.
- 20:14:05:08.01 Educational requirements for state-certified general appraiser -- General education.
- 20:14:05:08.02 Education -- Real estate degree.

20:14:05:09	Repealed.
20:14:05:10	Transferred.
20:14:05:11	Education Time limit.
20:14:05:12	Repealed.
20:14:05:12.01	Substitution of education.
20:14:05:13	Transferred.
20:14:05:14	Transferred.
20:14:05:15	Transferred.
20:14:05:16	Transferred.
20:14:05:17	Transferred.
20:14:05:18	Repealed.
20:14:05:19	Upgrade of credential.
20:14:05:20	Repealed.
20:14:05:21	Acceptable alternative appraisal experience.

20:14:05:01.02. Limited exemption for qualifications -- Military. An applicant for state licensed, state certified residential, or state certified general appraiser in the Reserve components of the U.S. Armed Forces, who was pursuing appraiser licensure or certification prior to December 1, 2011, and who was called to active duty between December 1, 2011, and December 31, 2014, may satisfy the qualifications required prior to July 1, 2014, for an additional time period after January 1, 2015. The extension of time is equal to the applicant's time of active duty, plus an additional 12 months Repealed.

Source: 41 SDR 217, effective June 29, 2015.

General Authority: SDCL 36-21B-3(1)(6).

Law Implemented: SDCL 36-21B-1, 36-21B-3(1)(6).

20:14:05:02. Examination. An applicant for a state-licensed, state-certified residential,

or state-certified general appraiser credential must have completed the education and experience

requirements prescribed in this chapter prior to approval to sit for an Appraiser Qualifications

Board Approved Appraiser National Uniform Examination. An applicant for a state-registered

appraiser credential shall have successfully completed the education prescribed in §

20:14:05:06.01 prior to approval to sit for an examination prescribed by the secretary.

An applicant for a state-certified general, state-certified residential, or state-licensed

appraiser credential approved to take the National Uniform Appraiser Examination may take the

examination no more than four times. If an applicant does not pass the examination on the fourth

attempt, the application is no longer valid. The applicant may file a new application after a period

of six months from the date of the fourth failed exam.

Source: 18 SDR 36, effective August 25, 1991; 23 SDR 113, effective January 12, 1997;

32 SDR 109, effective December 27, 2005; 38 SDR 116, effective January 10, 2012; 38 SDR 214,

effective June 21, 2012; 44 SDR 27, effective August 14, 2017.

General Authority: SDCL 36-21B-3 <u>36-21B-3(5)</u>.

Law Implemented: SDCL 36-21B-3(5), 36-21B-4(3) <u>36-21B-1</u>.

Cross-References:

State-certified general appraiser education, §§ 20:14:05:08 and 20:14:05:08.01.

State-certified general appraiser experience, § 20:14:05:04.

State-certified residential appraiser education, §§ <u>20:14:05:07.01</u> and <u>20:14:05:07.03</u>.

State-certified residential appraiser experience, § 20:14:05:03.01.

State-licensed appraiser education, §§ 20:14:05:07 and 20:14:05:07.01.

State-licensed appraiser experience, § 20:14:05:03.

State registered appraiser education, § 20:14:05:06.01.

20:14:05:02.00. Examination approval -- Time limit. An applicant for a state-certified general, state-certified residential, or state-licensed appraiser credential approved to take the National Uniform Appraiser Examination, or an applicant for a state-registered appraiser credential approved to complete the examination prescribed by the secretary, shall successfully complete the examination within 24 months from the date of approval. If the applicant does not successfully complete the examination within the time limit under this section, the applicant may apply pursuant to § 20:14:03:01 and pay the application fee prescribed in § 20:14:10:01. The examination is valid for a period of 24 months from the date of successful completion.

Source: 26 SDR 120, effective March 27, 2000; 32 SDR 109, effective December 27, 2005; 34 SDR 67, effective September 11, 2007; 44 SDR 27, effective August 14, 2017; 46 SDR 75, effective December 4, 2019.

General Authority: SDCL 36-21B-3(5).

Law Implemented: SDCL 36 21B 3(5) 36-21B-1, 36-21B-4(1).

20:14:05:05. Acceptable experience. Acceptable appraisal experience includes

experience in performing The following are acceptable appraisal experience:

(1) Appraisal;

(2) Appraisal review;

(3) Appraisal consulting;

(4) Mass appraisal.

For a real estate lending officer or a real estate broker, acceptable appraisal experience

includes the actual performance of a real estate appraisal or and a professional review of a real

estate appraisal, as determined by the secretary are acceptable appraisal experiences.

Case studies or practicum courses that are approved by the Appraiser Qualifications Board

Course Approval Program or state appraiser regulatory agencies, and non-client appraisal

experience, may be used to satisfy the appraisal experience requirement. Case studies, practicum

courses, and non-client appraisal experience may not exceed 50 percent of the total experience

requirement.

Source: 18 SDR 36, effective August 25, 1991; 24 SDR 91, effective January 8, 1998; 32

SDR 109, effective December 27, 2005; 32 SDR 109, adopted December 7, 2005, effective

January 1, 2008; 35 SDR 175, effective January 1, 2009; 40 SDR 121, effective January 7, 2014;

44 SDR 27, effective August 14, 2017.

General Authority: SDCL 36-21B-3(7).

Law Implemented: SDCL 36-21B-3(7)(17)-36-21B-1.

20:14:05:21. Acceptable alternative appraisal experience. Appraisal experience

obtained through an alternative method other than through the supervisory appraiser and state-

registered appraiser experience model may satisfy the experience requirement for state-licensed,

state-certified residential, and state-certified general appraiser credentials. Alternate methods of

earning appraisal experience:

(1) Practicum courses approved by the Appraiser Qualifications Board Course Approval

Program or state appraiser regulatory agencies;

(2) Practical Applications of Real Estate Appraisal (PAREA) programs approved by the

Appraiser Qualifications Board Course Approval Program or state appraiser regulatory agencies.

Partial credit must not be granted for completing only a portion of a PAREA program. Experience

credit must be granted upon verification of successful completion of an entire PAREA program

for the state-licensed or state-certified residential appraiser credential, as applicable; and

(3) An experience training program administered in accordance with chapter 20:14:15.

Source:

General Authority: SDCL 36-21B-3(1)(21).

Law Implemented: SDCL 36-21B-1.

Note: It is not required that a state-registered appraiser have a client traditional client for

an appraisal to qualify as acceptable appraisal experience, such as the appraiser being hired by a

client for a business purpose.

Cross-references:

State-licensed appraiser experience, § 20:14:05:03

State-certified residential appraiser experience, § 20:14:05:03.01

State-certified general appraiser experience, § 20:14:05:04.

Reference: The Real Property Appraiser Qualification Criteria and Interpretations of the Criteria, effective January 1, 2022, The Appraisal Foundation, Appraiser Qualifications

Board. Copies may be obtained from The Appraisal Foundation, free of charge at https://appraisalfoundation.org/imis/TAF/Standards/Qualification Criteria/Qualification Criteria

__RP_/TAF/AQB_RPAQC.aspx?hkey=5ec61b8d-751b-4a97-90b1-9b3dae51beea

20:14:13:02. Acceptable continuing education course topics. Credit may be granted The Department may grant credit to an applicant for renewal for courses that cover real estate topics related to appraisal and that maintain or increase the an appraiser's skill, knowledge, and competency in real property appraising, such as Acceptable topics are those listed in this section or the equivalent as determined by the secretary:

- (1) Ad valorem taxation;
- (2) Arbitration, dispute resolution;
- (3) Courses related to practice of real estate appraisal or consulting;
- (4) Development cost estimating;
- (5) Ethics, standards of professional practice, and uniform standards;

(6) Land use planning and zoning;

(7) Real estate litigation, damages, and condemnation;

(8) Management, leasing, and timesharing;

(9) Property development and partial interest;

(10) Real estate law, easements, and legal interest;

(11) Real estate financing and investment;

(12) Real estate appraisal-related computer applications;

(13) Real estate securities and syndication;

(14) Developing opinions of real property value in appraisals that also include personal

property and/or business value;

(15) Seller concessions and impact on value; and

(16) Energy efficient items and green building appraisals; and

(17) Valuation bias, fair housing, or equal opportunity.

Source: 18 SDR 36, effective August 25, 1991; transferred from § 20:14:05:14, 20 SDR 6,

effective August 1, 1993; 23 SDR 113, effective January 12, 1997; 24 SDR 91, effective January

8, 1998; 32 SDR 109, effective December 27, 2005; 38 SDR 214, effective June 21, 2012.

General Authority: SDCL 36-21B-3(6).

Law Implemented: SDCL 36-21B-3(6) <u>36-21B-1</u>.

20:14:13:05.02. Acceptable distance education courses. A An asynchronous distance

education course is acceptable if:

- (1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor;
- (2) Content approval is obtained from the Appraiser Qualifications Board, a state licensing jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Nonacademic credit college courses provided by a college must be approved by the Appraiser Qualifications Board or the state licensing jurisdiction; and
 - (3) Course delivery mechanism approval is obtained from one of the following sources:

 (a)(A) The Appraiser Qualifications Board;
- (B) Appraiser Qualifications Board approved Board-approved organizations providing approval of course design and delivery, such as The Appraisal Foundation or other independent approved entity; or
- (b)(C) A college that qualifies for content approval in subdivision (2) that awards academic credit for the distance education course; or
- (e)(D) A qualifying college for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity-: and
 - (4) A hybrid course is acceptable if:
- (A) In-person courses must meet the class hour time requirement and § 20:14:13:05;
- (B) Synchronous course session must meet the class hour time requirement and § 20:14:13:05; or
- (C) Asynchronous course sessions must meet the class hour time requirement and §§ 20:14:13:05 and 20:14:13:05.02.

Source: 32 SDR 109, effective December 27, 2005.

General Authority: SDCL 36-21B-3(6).

Law Implemented: SDCL 36-21B-3(6) 36-21B-1.

Cross-references: Definition of class hour, § 20:14:01:01(8)

20:14:13:05.03. Distance Asynchronus education -- Continuing education. Distance

Asynchronous distance education courses intended for use as continuing education must include

at least one of the following:

(1) A written examination proctored by an official approved by the college or university, or

by the sponsoring organization. Remote proctoring, including bio-metric proctoring procedures, is

acceptable; or

(2) Successful completion of prescribed course mechanisms required to demonstrate

knowledge of the subject matter.

For the purposes of this section, the term, bio-metric proctoring means continually

verifying the identity of the student through process, such as facial recognition, consistency in

keystroke cadence, or the observation of activity in the testing location.

Source: 32 SDR 109, effective December 27, 2005.

General Authority: SDCL 36-21B-3(6).

Law Implemented: SDCL 36-21B-3(6) <u>36-21B-1</u>.

20:14:13:05.04. Distance education -- Qualifying education. Distance education courses intended for use as qualifying education must include a written, closed-book final examination.

The examination must be proctored in-person or remotely by an official approved by the college or university, or by the sponsoring organization. Bio-metric proctoring as set forth in § 20:14:13:05.03, is acceptable.

Source: 34 SDR 67, effective September 11, 2007.

General Authority: SDCL 36-21B-3(6).

Law Implemented: SDCL 36-21B-3(6).

CHAPTER 20:14:15

APPRAISER EXPERIENCE TRAINING PROGRAM

Section 20:14:15:01 Eligibility requirements. 20:14:15:02 Experience training program application. 20:14:15:03 Ranking system for candidate selection. Requirements to complete the experience portion of the program. 20:14:15:04 20:14:15:05 Partial experience credit not allowed. 20:14:15:06 Requirements to complete the education portion of the program. 20:14:15:07 Grounds for dismissal from experience training program. Certificate of completion. 20:14:15:08

<u>20:14:15:09</u>	Lead and associate trainer requirements.
20:14:15:10	Agreement with department for other institutions to administer an experience
	training program.
20:14:1	5:01. Eligibility requirements. To be eligible to enroll in the appraiser experience
training progra	am, a candidate shall have a state-registered appraiser credential, which includes
completing the	e educational requirements specified in § 20:14:05:06.01.
Source:	
General	Authority: SDCL 36-21B-3(6)(21).
Law Im	plemented: SDCL 36-1B-1
20:14:1	5:02. Experience training program application. A candidate for the experience
training progr	am shall apply in writing on a form provided by the department or institution
administering	the program. The application shall require the following candidate information:
(1) Nam	<u>e;</u>
(2) Curr	ent business or home address, or both;
(3) Ema	il address and telephone number;
(4) Driv	er's license number and state of issuance;
(5) Appr	raiser education completed;
(6) Type	e of appraiser credential pursued;

(7) Area of the state, in which applicant intends to practice real estate appraisal;
(8) College-level education completed, if any; and
(9) A sworn declaration signed by the applicant.
Source: General Authority: SDCL 36-21B-3(6)(21). Law Implemented: SDCL 36-21B-1.
20:14:15:03. Ranking system for candidate selection. The program administrator will
review candidates for the experience training program according to the point system below.
Candidates with the highest point score will be selected into the program.
(1) Resides in and intends to establish and maintain a real estate appraisal practice in a South
Dakota county with a population of 10,000 or less, 35 points;
(2) Currently holds a state-registered appraiser credential, 20 points;
(3) Has completed the applicable education prescribed in § 20:14:15:01, 15 points;
(4) Understands the requirements, including tuition and travel, and must commit to
completing the program, 10 points; and
(5) Holds a Bachelor's degree required for the state-certified general appraiser credential or
has the college-level education required for the state-certified residential appraiser credential, as
applicable for the desired appraiser credential, 10 points.
Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

20:14:15:04. Requirements to complete the experience portion of the program. A

candidate for the experience training program must complete the hours and months experience

required for each credential level as follows:

(1) To achieve the state-licensed appraiser credential, the candidate must obtain 1000 hours

of experience the appraisal of noncomplex single-unit residential properties, to be completed in no

less than six months.

(2) To achieve the state-certified residential appraiser credential, after completing the

requirements of subsection (1), the candidate must obtain an additional 500 hours of experience in

the appraisal of complex single-unit residential properties and two-to-four-unit residential

properties utilizing all applicable approaches to value, to be completed in no less than six months.

(3) To achieve the state-certified general appraiser credential, after completing the

requirements of subsection (1) and (2), the candidate must obtain an additional 1,500 hours of

experience in the appraisal of nonresidential, commercial, and agricultural properties utilizing all

applicable approaches to value, to be completed in no less than 18 months.

Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

20:14:15:05. Partial experience credit not allowed. Partial experience credit may not be

granted for completing only a portion of the experience training program.

Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

20:14:15:06. Requirements to complete the education portion of the program. A

candidate for the experience training program must complete the Appraiser Qualification Board's

required qualifying education for the desired credential. The required education may be obtained

while enrolled in the experience training program.

Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

Reference: The Real Property Appraiser Qualification Criteria and Interpretations of

the Criteria, effective January 1, 2022, The Appraisal Foundation, Appraiser Qualifications

Board. Copies may be obtained from The Appraisal Foundation, free of charge at

https://appraisalfoundation.org/imis/TAF/Standards/Qualification_Criteria/Qualification_Criteria

__RP_/TAF/AQB_RPAQC.aspx?hkey=5ec61b8d-751b-4a97-90b1-9b3dae51beea

20:14:15:07. Grounds for dismissal from experience training program. The department

or institution administering experience training program may dismiss a candidate for failure to:

(1) Attend all in-person and virtual classroom hours of instruction;

(2) Participate in all field work as prescribed by the lead trainer;

(3) Complete all course assignments as prescribed in the course syllabus; and

(4) Complete the Appraiser Qualification Board-required qualifying education for the

desired credential in the timeframe set forth by the institution administering the program.

For an excused absence from an in-person or virtual classroom hours of instruction in

subsection (1), the candidate must review the applicable recorded classroom or virtual presentation

for the missed hours. For an excused absence for the scheduled field work in subsection (2), the

candidate must complete the missed field work independently.

If a candidate is in noncompliance with the course requirements under this section, the lead

trainer shall notify the student in writing detailing the candidate's noncompliance. The lead trainer

shall grant the student 30 days to correct the candidates noncompliance to avoid dismissal from

the experience training program.

Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

20:14:15:08. Certificate of completion. A certificate of completion will be issued when a candidate has successfully completed the requirements of the experience training program, in the specified timeframe for the desired credential. The certificate must designate the specific appraiser credential that the candidate has achieved by completing the experience training program. The candidate may apply to the department for the specific appraiser credential designated in the certificate.

Source:

General Authority: SDCL 36-21B-3(6)(21).

Law Implemented: SDCL 36-21B-1.

20:14:15:09. Lead and associate trainer requirements. Lead and associate trainers must:

(1) Have the knowledge and experience in the types of appraisal assignments being

supervised pursuant to the competency rule of the uniform standards and § 20:14:09:02;

(2) Have sufficient appraisal experience as a state-certified residential or state-certified

general appraiser, as determined by the department;

(3) Have been in good standing, for a period of at least five years, in every jurisdiction in

which the appraiser is certified;

(4) Have successfully completed, with the requirement of passing the course examination,

an education program provided by the department as specified in subdivision 20:14:04:14(4);

(5) Apply for, and be granted, the supervisory appraiser credential;

(6) Maintain the supervisory appraiser credential; and

(7) Submit to a state and federal criminal background investigation.
Source:
General Authority: SDCL 36-21B-3(6)(21).
Law Implemented: SDCL 36-21B-1.
Cross-reference:
Uniform Standards of Professional Appraisal Practice, § 20:14:06:01.
Supervisory appraiser credential, §§ 20:14:04:13 and 20:14:04:14.
20:14:15:10. Agreement with department for other institutions to administer an experience
training program. Any institution seeking to administer an experience training program shall
enter into a memorandum of understanding with the department to ensure compliance with this
chapter.
Source:
General Authority: SDCL 36-21B-3(21).
Law Implemented: SDCL 36-21B-1.